

**Senate Standing Committee on Education Employment and Workplace  
Relations**

**QUESTIONS ON NOTICE  
Supplementary Budget Estimates 2011-2012**

**Outcome 2 – Schools and Youth**

**Outcome 3 – Tertiary, Skills, International and Indigenous Strategy**

**DEEWR Question No. EW0647\_12**

**Senator Nash provided in writing.**

**Question**

***Youth Allowance and ABSTUDY***

Refer to DEEWR website:

<http://www.deewr.gov.au/HigherEducation/Programs/YouthAllowance/Pages/Overview.aspx>. It states that “from 1 January 2012 the Government will extend to students from Inner Regional Australia the workforce participation independence arrangements for Youth Allowance and ABSTUDY that currently apply only to students from Outer Regional Australia, Remote Australia and Very Remote Australia, subject to the passage of legislation. The extended arrangements will allow higher education and VET students from Inner Regional Australia to be considered independent for Youth Allowance and ABSTUDY if:

- they are a full-time student; and
- they are required to live away from home to study; and
- they have combined parental income of less than \$150,000; and
- they have either:
  1. worked part-time (at least 15 hours each week) for two years since last leaving secondary school; or
  2. had cumulative earnings totalling at least 75% of the appropriate maximum National Training Wage Award rate (\$21,009 in 2011) in 18 months since last leaving secondary school.

Can the Department clearly explain why there is the need for the \$150 000 parental income test when the purpose of the criteria is for the students to prove they're independent.

**Answer**

As with the current arrangements for students from Outer Regional, Remote or Very Remote Australia, the new workforce participation arrangements for students from Inner Regional Australia are accessible for students who need to live away from home to study and whose combined parental income is less than \$150 000 in the appropriate tax year. This ensures that the available assistance is directed at those regional families and students who need it the most.